

IDL Proposed Legislation 2015 Legislative Session

FACT SHEET

Proposed Legislation Related to Navigable Waters Fund

The Land Board voted to approve this legislative concept.

- The Public Trust Program, under the Idaho Department of Lands (IDL), regulates and controls the use and disposition of lands in the beds of navigable lakes, rivers and streams. Programmatic activities include issuing encroachment permits for docks, leases for marinas, easements for bridges, and riverbed mineral leases for recreational mining. Expenses and revenue related to this program are associated with the general fund. Over the past three years, average annual income has been \$550,000 and annual expenses have been \$550,000.
- The legislation would create a dedicated program. Expenses related to the management of navigable waterways would come from revenue generated from navigable waterways, as opposed to the general fund. In addition, revenue generated from navigable waterways would go towards improving waterways. The proposed legislation also increases revenue for the state school system. Mineral royalties are a one-time revenue source from the extraction of minerals from the beds of navigable waterways. This legislation would ensure a perpetual benefit to the school systems by depositing the mineral royalties into the Public School Permanent Endowment Fund, opposed to being deposited to, and spent from, the general fund.
- IDL researched how neighboring states utilize funds related to the management of navigable waterways. In Washington, income from navigable waterways is used to cover program expenses and to purchase, improve, and protect state aquatic resources. In Oregon, income from public trust land is deposited in the Permanent Common School Fund. In Montana, royalties from oil and gas reserves beneath navigable rivers is deposited in the Permanent Fund for Common Schools while bonus payments and rentals from navigable rivers are deposited in the School Facility & Technology Account.

Explanation of Three Changes

- Creation of a Navigable Waterways Fund. Revenue generated by the state from navigable waterways, except for
 mineral royalties, would be redirected from the general fund and be deposited into this account to fund the
 management of navigable waterways. Money in this account would only be expended pursuant to legislative
 appropriation.
- 2. Money in the Navigable Waterways Fund in excess of that needed to fund the program will be transferred into the Waterways Improvement Fund. The Waterways Improvement Fund is managed by the Park and Recreation Board and used for activities such as promoting safety, improving waterways, creating and improving parking areas for boating purposes, making and improving boat ramps and moorings, marking waterways, and search and rescue.
- 3. Redirected royalties from the extraction of minerals from navigable waterways from the general fund and deposited into the Public School Permanent Endowment Fund. This fund is managed and invested by the Endowment Fund Investment Board. The fund principal remains intact forever.

Attachments:

1. Proposed Legislation - Navigable Waters Fund